

FILED
2/20/2024

GMM

UNITED STATES SECURITIES AND)
EXCHANGE COMMISSION,)
Plaintiff,)

Civil Action No. 1:18-cv-5587

-vs-

EQUITYBUILD, INC., EQUITYBUILD)
FINANCE, LLC, JEROME H. COHEN,)
And SHAUN D. COHEN)
Defendants.)

Hon. Manish S. Shah

THOMAS G. BRUTON
CLERK, U.S. DISTRICT COURT

**PAUL HARRISON REQUEST TO RE-INSTATE CLAIM FOR GROUP 2
PROPERTY 5450-52 SOUTH INDIANA AVENUE**

I Paul Harrison State as Follows:

1. That I would like to thank the Court for taking the time to consider this late request.
2. That I am acting on a Pro-se basis to re-claim a first lien priority on the Group 2 Property #4 known as 5450-52 South Indiana Avenue.

SUMMARY

1. On 5/10/2023 I withdrew my June 2019 claim made to the Receiver against the Group 2 Property #4 known as 5450 South Indiana Avenue (Claim No. 4-2026) .My decision was based on the erroneous assumption that my mortgage security interest in this property was voided by a competing mortgage claim on the same property dated one day earlier than my own.
2. I subsequently learned from the Receiver's Submission on Group 2 Claims (Docket 1571) that the Receiver had recommended the Investor-Lender Group of which I had been a part be given lien priority to their investment in 5450-52 South Indiana Ave. On this basis I now wish to re-instate my original claim to Property #4 5450-52 South Indiana Avenue (Claim No. 4-2026) alongside the other Investor-Lenders in this property.

ARGUMENT – FACTS AND EVIDENCE

1. In June 2019 I filed a claim with the Receiver for Group 2 Property #4 5450-52 South Indiana Avenue for USD 43,098. This represented a 1.41 % share in a Promissory Note (PN) for the amount of USD 3,050,000 issued on 3/31/2017 by 5450 S. Indiana LLC, an entity managed by Jerry Cohen from Equity Build. This Promissory Note was secured by a mortgage on 5450-52 South Indiana Ave. and was issued to a group of investor lenders of which I was a part. This PN and mortgage were recorded with the Cook County Recorder's Office on 6/23/2017 which I have included as **Exhibit 1**.

2. Following the Receiver's sale on 4/8/20 of 5450-52 South Indiana Avenue (See Docket 690 at page 273) I was alerted to a competing claim for these sale proceeds (See Docket 690 Item 35a. at pages 10-13). I have included Docket 690 as **Exhibit 2**.
3. After being so alerted I accessed the Cook County Recorder's database and discovered this competing claim to 5450-52 S Indiana Ave. I found that the same Jerry Cohen – controlled entity – 5450 S Indiana LLC- which had issued the USD 3,050,000 mortgage-secured PN to me and my fellow investor-lenders on 3/31/2017 (Point 1 above) had also issued another mortgage against 5450-52 S Indiana Ave. This mortgage was dated one day earlier – 3/30/2017 - for the amount of USD 3,600,000. The beneficiaries of this mortgage were a group on investors associated with Shatar Capital Partners.
4. This prompted me to assume – I realize now erroneously – that it would have been futile for me to pursue my claim to 5450-52 S Indiana Ave because of what appeared to me to be a superior competing claim to a mortgage on the same property due to its being issued one day earlier than my own.
5. Since 2018 I have had limited financial resources to pay for legal fees due to the loss of investment income from Group 2 Property 5450-52 S Indiana Ave. as well as from investments in other promissory notes issued by Equity Build during the period 2015 to 2017. My remaining claims on these properties – totaling some USD 300,000- have been assigned by the Receiver to Group 8. On this basis I decided to conserve my limited financial resources to focus on my claim to these Group 8 properties. I therefore notified the Receiver on 5/10/2023 that I wished to withdraw my claim on 5450-52 S Indiana Ave.
6. Following the Receiver's Submission on Group 2 Claims dated 12/20/2023 (Docket 1571) I was made aware that the Receiver had recommended that the Court dismiss the competing claim of Shatar Capital Partners to a security interest in 5450-52 S. Indiana Ave. The Receiver instead recommended to the Court that lien priority be given to the mortgage held by the group of Investor-Investors in 5450-52 S. Indiana Ave. of which I had earlier been a part prior to my withdrawal of claim. (See Docket 1571 at pages 4-8). I have included Docket 1571 as **EXHIBIT 3**.
7. I therefore ask the Court to re-instate my Claim (No. 4-2026) to the distribution of proceeds from the sale of 5450-52 S. Indiana Ave alongside the other Investor Lenders in this property (See Docket 1571 at Pages 27-28) shown in **EXHIBIT 3**.

8. I further ask the Court that the maximum amount of my original claim of USD 43,098 (a 1.41 % share of the PN secured by the mortgage on 5450-52 South Indiana Ave.) be reduced by some USD 3,448 being the total monthly interest payouts on this PN made to me by Equity Build during the period 11/2017- 05/2018 prior to the initiation of the receivership in August 2018.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

DATED FEBRUARY 20 TH 2024

PAUL HARRISON
99/62 SIVALEE AVENUE 5
CHIANG MAI 50130 KINGDOM OF THAILAND
EMAIL: JPFIN@ RUNBOX.COM